

F10A
Secretary
Department of Budget and Management

Executive Summary

The Department of Budget and Management (DBM) provides financial, administrative, and budgeting support to Executive Branch agencies. The Central Collection Unit (CCU), which collects delinquent debts, claims, and accounts due to the State government, is also located within the department.

Operating Budget Data

(\$ in Thousands)

	<u>FY 18</u> <u>Actual</u>	<u>FY 19</u> <u>Working</u>	<u>FY 20</u> <u>Allowance</u>	<u>FY 19-20</u> <u>Change</u>	<u>% Change</u> <u>Prior Year</u>
General Fund	\$9,014	\$9,956	\$11,127	\$1,170	11.8%
Adjustments	0	49	270	220	
Adjusted General Fund	\$9,014	\$10,006	\$11,396	\$1,391	13.9%
Special Fund	15,229	15,917	17,118	1,201	7.5%
Adjustments	0	74	255	182	
Adjusted Special Fund	\$15,229	\$15,991	\$17,374	\$1,383	8.6%
Reimbursable Fund	235	236	263	27	11.4%
Adjustments	0	0	0	0	
Adjusted Reimbursable Fund	\$235	\$236	\$263	\$27	11.4%
Adjusted Grand Total	\$24,479	\$26,232	\$29,032	\$2,800	10.7%

Note: The fiscal 2019 appropriation includes deficiencies, a one-time \$500 bonus, and general salary increases. The fiscal 2020 allowance includes general salary increases.

- Funding for information technology (IT) services and support accounts for 95% of the total increase in the fiscal 2020 allowance. Despite the loss of a net 11 positions, personnel expenses only decrease by \$93,000 due to offsetting fiscal 2020 employee compensation enhancements.

Note: Numbers may not sum to total due to rounding.

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Personnel Data

	<u>FY 18 Actual</u>	<u>FY 19 Working</u>	<u>FY 20 Allowance</u>	<u>FY 19-20 Change</u>
Regular Positions	194.80	195.80	184.80	-11.00
Contractual FTEs	<u>26.58</u>	<u>32.00</u>	<u>31.00</u>	<u>-1.00</u>
Total Personnel	221.38	227.80	215.80	-12.00

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	4.04	2.20%
Positions and Percentage Vacant as of 12/31/18	21.00	10.73%

- The net loss of 11 positions in the fiscal 2020 allowance reflects the realignment of procurement personnel within the Department of General Services in accordance with Chapter 590 of 2017.
- Special funded positions within CCU account for half of the 21 positions vacant at the close of calendar 2018. The 10.7% vacancy rate is 17 positions above what is needed to meet budgeted turnover in fiscal 2020.

Key Observations

- The transition to the department's new budgeting system, BARS, has resulted in a change in the data made available to the General Assembly and the Department of Legislative Services (DLS). Under the previous budget system, a variety of information was provided to DLS each fall regarding special and federal fund accounts, program descriptions, explanations of changes in funding, detail on the types of equipment or vehicles needed, *etc.* This data is helpful in educating new analysts on State agency functions and analyzing agency budgets. Under the new BARS system, this data is no longer being provided.
- DBM is required to provide an organizational chart for each executive department and agency when the allowance is submitted. The fiscal 2020 submission was provided two weeks late, and 32% of the agencies have not complied with the requirement.
- The fiscal 2018 statewide closeout audit performed by the Office of Legislative Audits (OLA) identified over \$100 million in unprovided for general fund payables and other liabilities. In addition, OLA had findings pertaining to improper closeout transactions for five agencies. Generally, these transactions suggest that additional State funds may be required to eliminate potential deficits.

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- Concerns have been raised that the Maryland Funding Accountability and Transparency website operated by DBM and the Department of Information Technology has yet to post fiscal 2018 expenditure data. An April 2018 U.S. PIRG report rated Maryland a D+ in terms of its overall online budget transparency and labeled the State as lagging.
- Several new IT projects are having or are expected to have an impact on business operations for the various units within DBM. The department has indicated that it expects that this will result in changes to operating costs and organizational restructuring.

Operating Budget Recommended Actions

	<u>Funds</u>	<u>Positions</u>
1. Delete 1 long-term vacant position.	\$ 194,375	1.0
2. Adopt committee narrative requesting a report on improving the State's budget transparency and accountability website.		
3. Amend Section 2 to limit appropriations that can be placed into contingency reserve to items restricted by the General Assembly.		
4. Amend Section 17 to add tracking structure necessary for legislative audits and disallowing transfers to other purposes.		
5. Add a section requiring a long-term forecast.		
6. Add a section applying across-the-board Executive Branch reductions to higher education institutions.		
7. Add a section requiring reporting on federal funds received by the State.		
8. Add a section defining the usage of federal funds in the budget.		
9. Add a section requiring indirect cost recovery reporting.		
10. Add a section requiring consistent presentation of budget data and organizational charts.		
11. Add a section requiring reporting on interagency agreements and approval by the Department of Budget and Management.		
12. Add a section defining the budget amendment process.		
13. Add a section defining maintenance of accounting systems.		

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Total Reductions	\$ 194,375	1.0
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Operating Budget Analysis

Program Description

The Department of Budget and Management (DBM) is responsible for managing the expenditure of State resources. DBM's programs are described below:

- **Executive Direction** manages the department. It includes executive staff, Attorneys General, and the Equal Employment Opportunity Program.
- **Division of Finance and Administration** is responsible for the accounting, budgeting, payroll, and purchasing functions of the department.
- **Central Collection Unit (CCU)** collects delinquent debts, claims, and accounts due to the State government.
- **Division of Procurement Policy and Administration** is being restructured following the transfer of procurement policy responsibilities to the Department of General Services (DGS) in accordance with Chapter 590 of 2017. Fleet management and travel administration will be moved into the Division of Finance and Administration. The staff within this unit will continue to monitor interagency agreements and audit findings.
- **Office of Budget Analysis (OBA)** analyzes State agency programs, expenditures, revenues, and performance. The office recommends funding allocations and develops the operating budget with legal requirements and the Administration's directions.
- **Office of Capital Budgeting** develops an annual capital budget, prepares a five-year *Capital Improvement Program*, and reviews the master plans of State agencies.

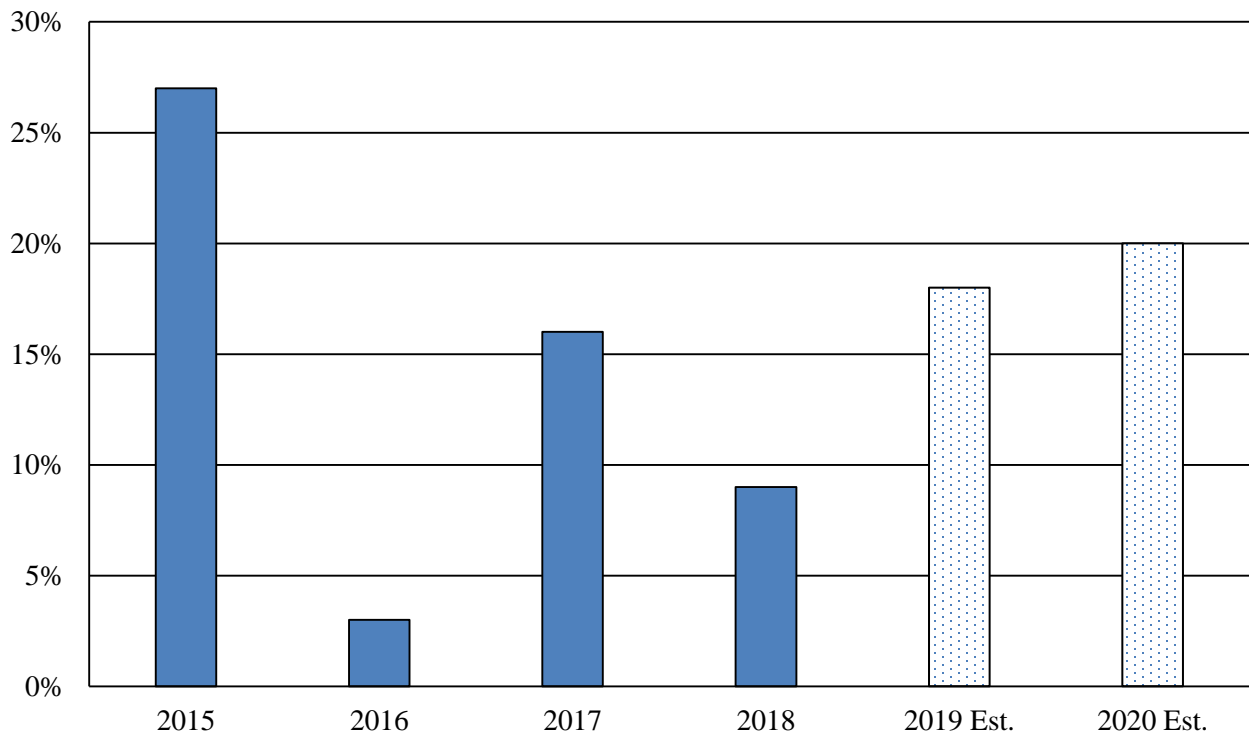
DBM also has an Office of Personnel Services and Benefits (F10A02) that provides State personnel policy direction and support. This budget and related issues are discussed in a separate analysis.

Performance Analysis: Managing for Results

1. CCU Net Profit Declined Significantly in Fiscal 2018 Due to Information Technology Issues

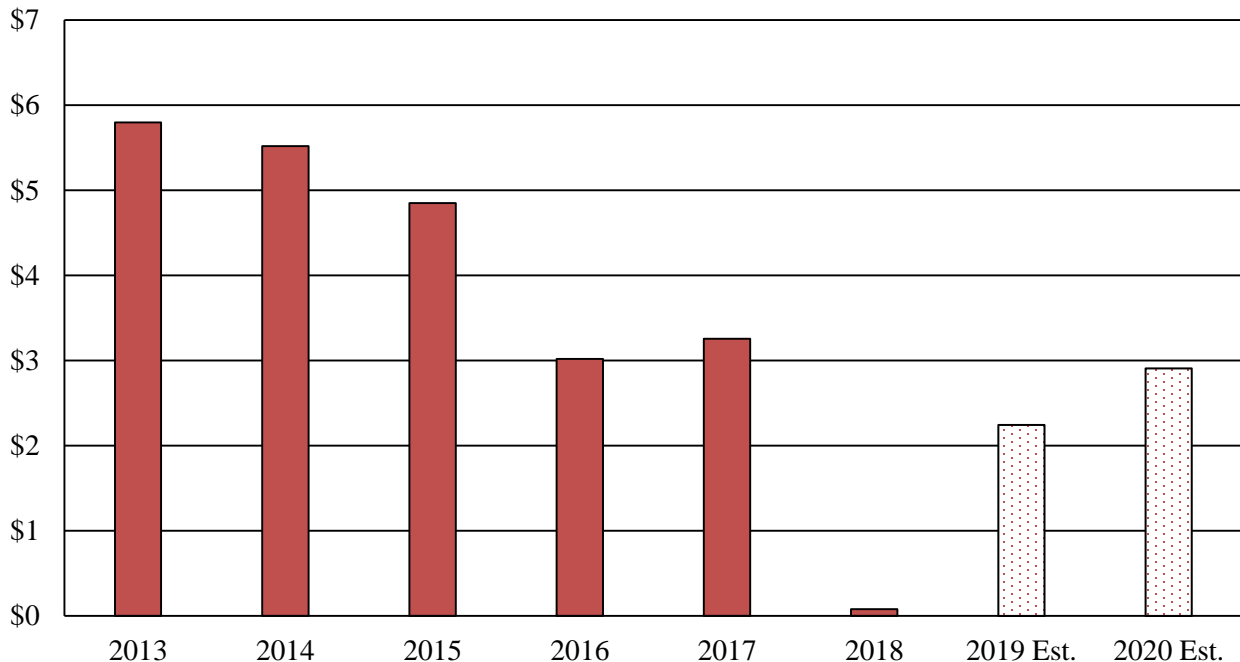
CCU is responsible for collecting delinquent claims, debts, and accounts owed to the State except for taxes, child support, and unemployment contributions and overpayments. Typical debts include Motor Vehicle Administration fines, student tuition and fees, and restitution for damage to State property, among others. **Exhibit 1** illustrates the debts with payment recovered as a percentage of the total amount of debt assigned to CCU each year. **Exhibit 2** provides detail on the agency's annual net profit since fiscal 2013.

Exhibit 1
Central Collection Unit – Debts with Payment Recovered as a
Percentage of Total Debts Assigned
Fiscal 2015-2020 Est.



Source: Managing for Results, Fiscal 2020

Exhibit 2
Central Collection Unit – Agency Net Profit
Fiscal 2013-2020 Est.
(\$ in Millions)



Source: Managing for Results, Fiscal 2020

From fiscal 2013 to 2016, agency net profit decreased by more than \$2.8 million. Profits were down because CCU operating expenditures included the cash flow for the major information technology (IT) business system replacement. In fiscal 2016, CCU assumed a backlog of over 1.8 million EZPass debts, thus reducing the percent of debts with payment recovered from 27% to 3%. The realization of those collections resulted in an increase in net profit in fiscal 2017 as well as increasing the percentage of recovered payment to 16% of its total debts.

Due to a technical issue with the tax intercept program, the accurate number of eligible debts were not certified by CCU and reported to the Comptroller for collection in fiscal 2018. This resulted in the agency collecting a net profit of less than \$100,000. The certification process can only happen once annually. CCU advises that the problem has been corrected for fiscal 2019 and anticipates collections returning to levels consistent with fiscal 2016 and 2017.

Net profits will remain below fiscal 2013 to 2015 levels as the agency continues to fund the second phase of its IT modernization project. The details of that project are provided in **Appendix 2**.

Phase I of the project went live in July 2018, providing the agency with improved data quality for online payments, the ability to encrypt personal data, and an automated process for referrals from other agencies. The fiscal 2020 allowance provides a \$521,000 increase to support the ongoing maintenance costs associated with this phase of the project.

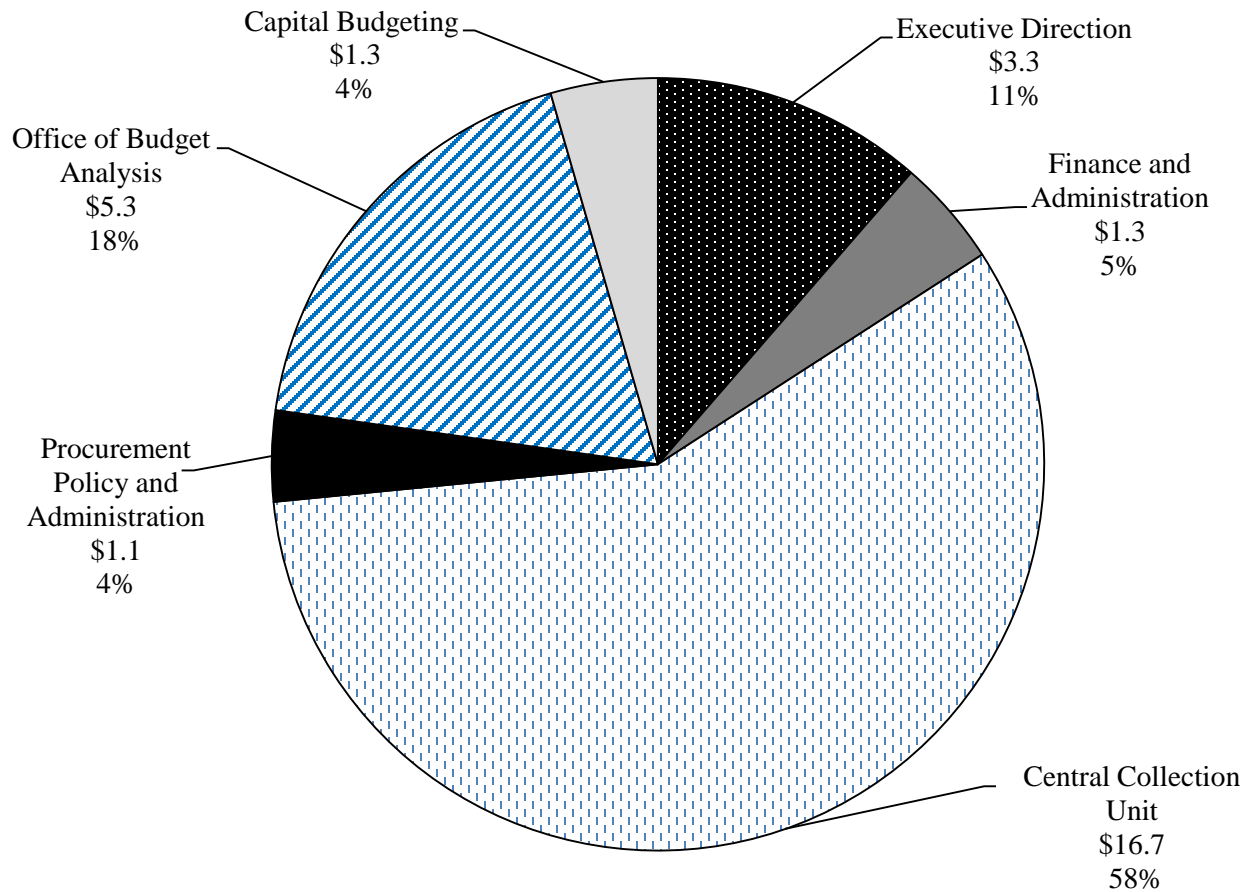
Planning for Phase II began in January 2019. Completion of Phase II is anticipated to require approximately 2.5 years to complete. Among other things, the second phase will include the development of an online payment plan for debtors and automation of other manual processes, such as refunds, to improve productivity. It is currently estimated that Phase II will cost \$11.9 million to develop and implement.

Fiscal 2020 Allowance

Overview of Agency Spending

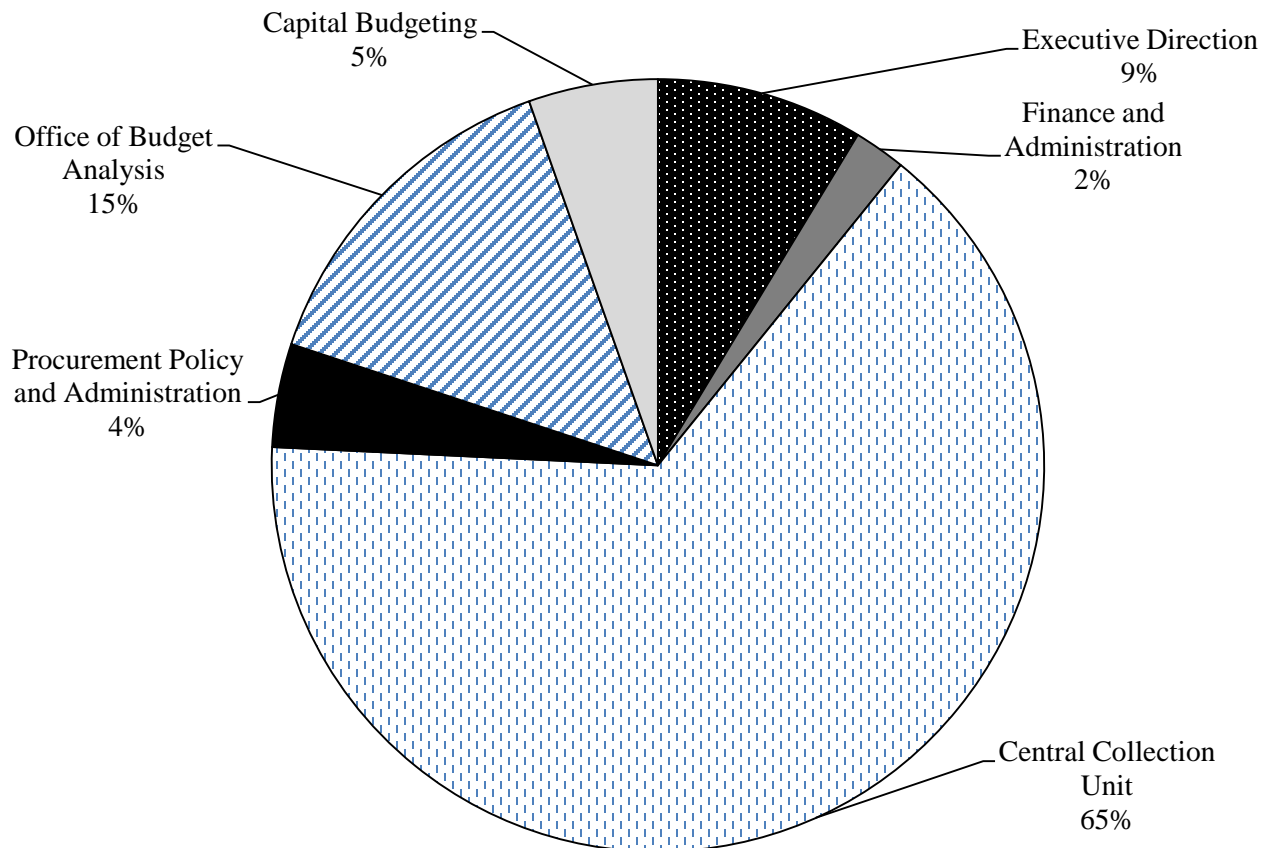
The fiscal 2020 allowance provides the department with slightly more than \$29.0 million to fund its operating expenses. **Exhibit 3** illustrates how the spending is delineated among the six units within the Secretary's Office. Special funds generated from CCU collection fees to cover the unit's operations account for 58%, or \$16.7 million, of the total budget. Not surprisingly, spending as a proportion of the total budget aligns closely with the proportion of staff allocated to each unit, as the functions provided by DBM are largely administrative and performed directly by agency personnel (**Exhibit 4**). In recent years, CCU has also relied on the use of approximately 30 contractual full-time equivalents to accommodate an increased workload from assuming EZPass collections. Upon completion of its IT modernization project, the unit intends to reevaluate its staffing needs.

Exhibit 3
Department of Budget and Management
Fiscal 2020 Allowance by Program
(\$ in Millions)



Source: Governor's Fiscal 2020 Allowance; Department of Legislative Services

Exhibit 4
Department of Budget and Management
Fiscal 2020 Staffing by Program



Source: Governor's Fiscal 2020 Allowance; Department of Legislative Services

Proposed Budget Change

Exhibit 5 provides detail on how the fiscal 2020 allowance increases by a net \$2.8 million, or 10.7%, above the fiscal 2019 working appropriation.

Exhibit 5
Proposed Budget
Department of Budget and Management – Secretary
(\$ in Thousands)

How Much It Grows:	General Fund	Special Fund	Reimb. Fund	Total
Fiscal 2018 Actual	\$9,014	\$15,229	\$235	\$24,479
Fiscal 2019 Working Appropriation	10,006	15,991	236	26,232
Fiscal 2020 Allowance	<u>11,396</u>	<u>17,374</u>	<u>263</u>	<u>29,032</u>
Fiscal 2019-2020 Amount Change	\$1,391	\$1,383	\$27	\$2,800
Fiscal 2019-2020 Percent Change	13.9%	8.6%	11.4%	10.7%

Where It Goes:

Personnel Expenses

General salary increase.....	\$506
Employee and retiree health insurance.....	217
Employee retirement system	110
Funding alignment for new positions in fiscal 2019 working appropriation	109
Other compensation	89
Other fringe benefit adjustments	87
Turnover adjustments.....	56
Workers' compensation premium assessment	-5
One-time fiscal 2019 \$500 bonus.....	-104
Procurement positions transferred to DGS (Chapter 590 of 2017)	-1,158

Other Changes

DoIT services allocation.....	2,138
CCU modernization project's ongoing maintenance costs for Phase I.....	521
Office of Administrative Hearings	157
Other.....	77

Total **\$2,800**

CCU: Central Collection Unit
DGS: Department of General Services
DoIT: Department of Information Technology

Note: Numbers may not sum to total due to rounding.

Personnel

Personnel expenses decrease by a net \$93,000 in fiscal 2020. Standard growth in fringe benefits, combined with statewide enhancements for a general salary increase and approximately \$109,000 to align funding with 2 new budget analyst positions received in fiscal 2019 are offset by the transfer of 11 positions from the Division of Procurement Policy and Administration to DGS, in accordance with Chapter 590, which implemented several procurement policy reforms, including the consolidation of procurement staff under DGS.

At the close of calendar 2018, DBM had a 10.7% vacancy rate, which equates to 17 more positions vacant than is needed to meet fiscal 2020 budgeted turnover. However, all but 4 of those positions have been vacant for less than one year. Half of the 21 current vacancies (including 3 of the 4 long-term vacancies) are special-funded positions within CCU.

The Department of Legislative Services (DLS) recommends deleting the 1 long-term general fund vacancy, the director of governmental efficiency position within the Office of Transformation and Renewal. This position has been vacant for more than one year, and the office’s mission to work with executive agencies to offer ongoing advice on how to improve efficiency, increase accountability, and improve customer service can be achieved through the existing staff and functions within DBM.

Department of Information Technology Services Allocation

The Department of Information Technology (DoIT) is moving to a fee-for-service funding model, which results in declining DoIT general fund appropriations and increasing reimbursable fund appropriations. DoIT has also been underfunded in recent years (there are deficiency appropriations in fiscal 2019 to compensate for this underfunding), so total fiscal 2020 DoIT appropriations increase. With respect to DBM, fees for DoIT increase by \$2.1 million. This accounts for more than 76% of the total funding increase in fiscal 2020.

Statewide Grant System

Funded through the Major Information Technology Program Development Fund, not in the DBM budget, is \$2 million in general funds to implement a new statewide grant management system. Currently, there is no centralized system for tracking and reporting on the billions of dollars in grant funding that flows to and from the State.

The proposed project will require State agency grant staff to input grant information that would then be integrated with the State’s financial and budgeting systems. State agencies and grant subrecipients will be able to utilize the data in the system to generate custom and standardized reports regarding research activity, win rate, grant award spending to budget, State agency and subrecipient grant reporting, *etc.*

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The project is using a contracted vendor to provide a commercial off-the-shelf software solution. The \$2 million included in fiscal 2020 is expected to be the entire cost of the project. It is currently anticipated that the project will begin in January 2020 and be complete by June 2021.

Issues

1. Transition to a New Budget System Does Not Alleviate Staffing Demands and Lessens Legislative Access to Data

In 2008, the State identified DBM's budgeting system as a high risk for failure and in need of replacement. The transition to the replacement system, commonly referred to as BARS, has been a multi-year process that has been a significant undertaking for both DBM and agency budget personnel. During the transition, DBM budget personnel has had to maintain four separate budget processes and provide extensive training and budget compilation support to agencies. According to the department, this has resulted in a significant increase in the workload for OBA staff and is not expected to lessen in the near future, despite the BARS project moving into its operation and maintenance phase.

A project analysis performed by DoIT indicates that there had been an assumption that DoIT would take over some of the maintenance aspects as the project completed its rollout. That has proven untrue, and DBM is establishing support for several interfaces. As such, the budget includes \$2.6 million in operating costs projected for fiscal 2020 and \$2.3 million for fiscal 2021. DBM has indicated that some level of maintenance will be required for the life of the new system and the existing vendor contract allows for four years of renewal options. Efforts to stabilize the system to eventually reduce maintenance costs are being considered as the implementation of the project progresses.

Access to Data Is Limited

The transition to BARS has resulted in a change in the supporting information made available to the General Assembly and DLS. With the previous budget system, a variety of information was provided to DLS each year regarding special and federal fund accounts, agency subprogram and reorganization descriptions, explanations for changes in funding, detail on the types of equipment or vehicles needed, *etc.* This data is helpful in educating new analysts on State agency functions and analyzing each agency's budget. Under the new BARS system, this data is no longer being collected or provided.

DLS recommends the addition of budget language ensuring that previously provided budget preparation information continues to be submitted in a timely manner.

2. Executive Branch Organizational Charts Not Submitted in Accordance with Budgetary Requirements

Section 27 of the fiscal 2019 Budget Bill requires DBM to provide a one-page organizational chart that depicts the allocation of personnel across operational and administrative activities of the entity. Organizational charts were to be submitted to DLS with the fiscal 2020 allowance for each department, unit, agency, office, and institution.

The requested materials were provided on January 30, 2019, nearly two weeks after the allowance was submitted to the General Assembly. In addition, 16 of the 50 agencies did not submit an organizational chart. This equates to a 32% noncompliance rate with the budget language. **Exhibit 6** lists the entities that did not provide the requested organizational information.

Exhibit 6
State Entities without an Organizational Chart Submission
Fiscal 2020

Name

Office of the Public Defender
Office of the Attorney General
Uninsured Employers' Fund
Maryland Energy Administration
Department of Aging
Maryland Stadium Authority
State Board of Elections
Maryland State Archives
Canal Place Preservation and Development Authority
Office of Administrative Hearings
Maryland Department of Agriculture
Department of Public Safety and Correctional Services
Children's Cabinet Interagency Fund
Maryland African American Museum Corporation
Maryland Technology Development Corporation
Maryland Department of the Environment

Source: Department of Legislative Services

DBM should comment on its role and process for gathering the organizational charts from State entities and ensuring compliance with the budget language, in addition to identifying when the remaining 16 organizational charts will be received.

3. Fiscal 2018 Closeout Audit Highlights the Potential Need for State Funds to Eliminate Possible Deficits

Each year, the Office of Legislative Audits prepares an audit of the State budget's closeout transactions. The audit identifies closeout transactions that were not in compliance with current laws or generally accepted accounting standards. **Exhibit 7** itemizes the unique findings that pertain to five executive agencies, and **Exhibit 8** highlights general fund amounts owed that the agencies did not have funds available to pay at the close of fiscal 2018.

Exhibit 7
Office of Legislative Audits
Statewide Review of Fiscal 2018 Budget Closeout Transactions
(\$ in Millions)

<u>Agency</u>	<u>Explanation</u>	<u>Amount</u>
DLLR	Recorded unsubstantiated federal fund revenues related to receivables from indirect cost recoveries. (Repeat finding.)	\$6.4
DSP	Special fund revenues were improperly retained to offset a special fund deficit; nonbudgeted funds were not reverted to the General Fund.	1.0
MHBE	Discrepancy with the federal Department of Health and Human Services – Office of the Inspector General regarding how grants should be allocated and reimbursements requested could result in the State funding a federal liability of \$28.4 million.	28.4
MDH	MDH did not implement an opioid risk reduction pilot program as required by budget language but also did not revert the restricted appropriation.	0.8
DoIT	Unsubstantiated accrued reimbursable fund revenues related to the recovery of costs incurred for oversight services of information technology projects are not likely to be collected.	2.6

DLLR: Department of Labor, Licensing, and Regulation

DoIT: Department of Information Technology

DSP: Department of State Police

MDH: Maryland Department of Health

MHBE: Maryland Health Benefit Exchange

Source: Office of Legislative Audits, January 2019

Exhibit 8
Unprovided for General Fund Payables (Overspending)
Fiscal 2018

<u>Agency</u>	<u>OLA-identified Liability</u>	<u>Amount Funded</u>
Maryland Department of Health	\$104,105,000	\$0
State Department of Assessment and Taxation	4,036,000	4,035,522
Office of the Public Defender	1,317,000	447,532
Department of Information Technology	1,118,000	2,000,000
Total	\$110,576,000	\$6,483,054

OLA: Office of Legislative Audits

Source: Office of Legislative Audits, January 2019

The total amount of unprovided for general fund payables in the Maryland Department of Health is believed to be overstated, as the most recent data analysis suggests that the assumed fiscal 2018 deficit for the Behavioral Health Administration is less than originally reported, and the accrual deficit for the Medicaid program can be more than sufficiently covered with a projected fiscal 2019 surplus. In addition, deficiency funding is provided in the State Department of Assessments and Taxation and DoIT to cover the respective overspending in those agencies. It should be anticipated that the Department of State Police will revert \$994,000 at the close of fiscal 2019 in accordance with the audit findings.

Each of the audit findings is addressed in greater detail in the respective agency analyses. **However, as the budget control agency for the State, the department should be prepared to brief the budget committees on the fiscal 2018 closeout audit, including the likely impact to the General Fund.**

4. Maryland's Funding Accountability Website Receives a D+ Rating

Section 3A-313 of the State Finance and Procurement Article requires DBM and DoIT to maintain a single, searchable website to provide the public with access to State payment data at no cost. The website is to provide the following information for any party who receives an aggregate payment of \$25,000 from the State in a fiscal year:

- the name of the payee;
- the location of the payee by postal zip code;

- the amount of a payment; and
- the name of the agency making the payment.

In addition, statute requires that the data presented through the Maryland Funding Accountability and Transparency Website should be searchable by the payee name, the agency making the payment, or the location. According to DBM, prior year actual data for vendor payments and grant awards is generally published by January 1 each year. DoIT posts the vendor payment data, and DBM is responsible for collecting the grant and loan data, which DoIT then posts.

To date, only grant and loan data has been posted for fiscal 2018, more than six months after the close of the fiscal year. DBM cites the heavy workload with the budgeting process and transition to the new budget system during fall 2018 as contributing to any delays, as well as a DoIT IT issue with the actual posting of the data.

Of further concern is the findings from an April 2018 report released by the U.S. PIRG Education Fund that evaluated how the 50 states rate in providing online access to government spending data. The report gave Maryland a D+ rating overall and tagged the State as lagging in comparison to other states. Only 12 other states had a lower rating than Maryland.

Current best practices for government spending transparency dictate the provision of comprehensive data that offer broad and detailed expenditure information for payments made to private vendors and nonprofits, as well as economic development and other tax subsidies, and transactions with quasi-public agencies. The best transparency websites allow users to search by recipient, agency, or category and to make directed keyword and field searches. The most effective tools allow for multitiered searching.

Maryland was acknowledged for its effort to include checkbook-level spending and quasi-public agencies in its reported data; however, it was also noted that the searchability features of the State's transparency website were lacking, as there is currently no option for searching by keyword or fund type. In addition, there is no subtotaling feature or multitiered search function. Finally, the rating was lowered because the website provides no analysis of government finances produced for easy public consumption and does not project potential public benefits from providing economic development and tax subsidies, instead only reporting actual benefits.

DBM should comment on the status of posting fiscal 2018 data for the Maryland Funding Accountability and Transparency Website along with the low rating assigned to the website in the U.S. PIRG report. DLS recommends committee narrative requesting that the department explore ways to improve the transparency website and timeframe in which grant and vendor data is posted.

Operating Budget Recommended Actions

		<u>Amount Reduction</u>	<u>Position Reduction</u>
1.	Delete 1 long-term vacant position. This position has been vacant for more than one year and the assigned responsibilities can be achieved through the existing staff and functional units.	\$ 194,375	GF 1.0
2.	Adopt the following narrative:		

Improving the Maryland Funding Accountability and Transparency Website: The budget committees are concerned with the lengthy delay in posting data to the Maryland Funding Accountability and Transparency Website. The budget committees are further concerned with the low rating and lagging status assigned to the State by a recent report comparing access to government spending data for all 50 states. The budget committees, therefore, request the Department of Budget and Management (DBM), in consultation with the Department of Information Technology (DoIT), to study the current process for collecting, reporting, and posting payment data in an effort to identify areas of improvement. The evaluation should specifically address how to improve the expediency with which data is gathered and posted online as well as how to improve the searchability of posted information and make the website and analysis of available information more consumer friendly. The report should be submitted to the budget committees no later than August 15, 2019.

Information Request	Authors	Due Date
Report on improving government spending transparency	DBM DoIT	August 15, 2019

3. Amend the following section:

SECTION 2. AND BE IT FURTHER ENACTED, That in order to carry out the provisions of these appropriations the Secretary of Budget and Management is authorized:

- (a) To allot all or any portion of the funds herein appropriated to the various departments, boards, commissions, officers, schools and institutions by monthly, quarterly or seasonal periods and by objects of expense ~~and may place any funds appropriated but not allotted in contingency reserve available for subsequent allotment. Upon the Secretary's own initiative or upon the request of the head of any State agency, the Secretary may authorize a change in the amount of funds so allotted.~~

The Secretary shall, before the beginning of the fiscal year, file with the Comptroller of the Treasury ~~a schedule of allotments, if any a list limited to the appropriations restricted in this Act, to be placed in contingency reserve.~~ The Comptroller shall not authorize any expenditure or obligation in excess of the allotment made and any expenditure so made shall be illegal.

~~(b) To allot all or any portion of funds coming into the hands of any department, board, commission, officer, school and institution of the State, from sources not estimated or calculated upon in the budget.~~

~~(e)~~ (b) The Secretary is authorized to ~~To~~ fix the number and classes of positions, including temporary and permanent positions, or person years of authorized employment for each agency, unit, or program thereof, not inconsistent with the Public General Laws in regard to classification of positions. The Secretary shall make such determinations before the beginning of the fiscal year and shall base them on the positions or person years of employment authorized in the budget as amended by approved budgetary position actions. No payment for salaries or wages nor any request for or certification of personnel shall be made except in accordance with the Secretary's determinations. At any time during the fiscal year the Secretary may amend the number and classes of positions or person years of employment previously fixed by the Secretary; the Secretary may delegate all or part of this authority. The governing boards of public institutions of higher education shall have the authority to transfer positions between programs and campuses under each institutional board's jurisdiction without the approval of the Secretary, as provided in Section 15-105 of the Education Article.

~~(d)~~ (c) To prescribe procedures and forms for carrying out the above provisions.

Explanation: This language limits the amount of appropriations that can be placed into contingency reserve to only those items restricted by the General Assembly.

4. Amend the following section:

SECTION 17. AND BE IT FURTHER ENACTED, That funds appropriated to the various State agency programs and subprograms in Comptroller Objects 0152 (Health Insurance), 0154 (Retirees Health Insurance Premiums), 0175 (Workers' Compensation), 0217 (Health Insurance), 0305 (DBM Paid Telecommunications), 0322 (Capital Lease Telecommunications), 0839 (HR Shared Services), 0874 (Office of Attorney General Administrative Fee), 0876 (DoIT IT Services Allocation), 0894 (State Personnel System Allocation), 0897 (Enterprise Budget System Allocation), and 1303 (rent paid to DGS) are to be utilized for their intended purposes only. ~~The expenditure or transfer of these funds for other purposes requires the prior approval of the Secretary of Budget and Management.~~ Notwithstanding any other provision of law, the Secretary of Budget and Management may

transfer amounts appropriated in Comptroller Objects 0152, 0154, 0217, 0305, 0322, and 0876 between State departments and agencies by approved budget amendment in fiscal 2019 and fiscal 2020. All funds budgeted in or transferred to Comptroller Objects 0152 and 0154, and any funds restricted in this budget for use in the employee and retiree health insurance program that are unspent shall be credited to the fund as established in accordance with Section 2-516 of the State Personnel and Pensions Article of the Annotated Code of Maryland.

Further provided that each agency that receives funding in this budget in any of the restricted Comptroller Objects listed within this section shall establish within the State’s accounting system a structure of accounts to separately identify for each restricted Comptroller Object, by fund source, the legislative appropriation, monthly transactions, and final expenditures. It is the intent of the General Assembly that an accounting detail be established so that the Office of Legislative Audits may review the disposition of funds appropriated for each restricted Comptroller Object as part of each closeout audit to ensure that funds are used only for the purposes for which they are restricted and that unspent funds are reverted or canceled.

Explanation: This amendment pertaining to restricted objects of expenditure is amended to disallow transfers to other purposes and makes it possible for the Office of Legislative Audits to track the disposition of funds in restricted statewide subobjects.

5. Add the following section:

Section XX Executive Long-term Forecast

SECTION XX. AND BE IT FURTHER ENACTED, That the Governor’s budget books shall include a forecast of the impact of the executive budget proposal on the long-term fiscal condition of the General Fund, the Transportation Trust Fund, and higher education Current Unrestricted Fund accounts. This forecast shall estimate aggregate revenues, expenditures, and fund balances in each account for the fiscal year last completed, the current year, the budget year, and four years thereafter. Expenditures shall be reported at such agency, program or unit levels, or categories as may be determined appropriate after consultation with the Department of Legislative Services. A statement of major assumptions underlying the forecast shall also be provided, including but not limited to general salary increases, inflation, and growth of caseloads in significant program areas.

Explanation: This annual language provides for the delivery of the executive’s General Fund, transportation, and higher education forecasts and defines the conditions under which they are to be provided.

Information Request	Author	Due Date
Executive forecasts	Department of Budget and Management	With the submission of the Governor’s fiscal 2021 budget books

6. Add the following section:

Section XX Across-the-board Reductions and Higher Education

SECTION XX. AND BE IT FURTHER ENACTED, That all across-the-board reductions applied to the Executive Branch, unless otherwise stated, shall apply to current unrestricted and general funds in the University System of Maryland, St. Mary's College of Maryland, Morgan State University, and Baltimore City Community College.

Explanation: This section explicitly applies reductions intended for the full Executive Branch to the University System of Maryland, St. Mary's College of Maryland, Morgan State University, and Baltimore City Community College, unless their exclusion is specifically stated.

7. Add the following section:

Section XX Reporting Federal Funds

SECTION XX. AND BE IT FURTHER ENACTED, That the Governor's budget books shall include a summary statement of federal revenues by major federal program sources supporting the federal appropriations made therein along with the major assumptions underpinning the federal fund estimates. The Department of Budget and Management (DBM) shall exercise due diligence in reporting this data and ensure that they are updated as appropriate to reflect ongoing congressional action on the federal budget. In addition, DBM shall provide to the Department of Legislative Services (DLS) data for the actual, current, and budget years listing the components of each federal fund appropriation by Catalog of Federal Domestic Assistance number or equivalent detail for programs not in the catalog. Data shall be provided in an electronic format subject to the concurrence of DLS.

Explanation: This annual language provides for consistent reporting of federal monies received by the State.

Information Request	Author	Due Date
Reporting components of each federal fund appropriation	DBM	With submission of the fiscal 2021 budget

8. Add the following section:

Section XX Federal Fund Spending

SECTION XX. AND BE IT FURTHER ENACTED, That in the expenditure of federal funds appropriated in this budget or subsequent to the enactment of this budget by the budget amendment process:

- (1) State agencies shall administer these federal funds in a manner that recognizes that federal funds are taxpayer dollars that require prudent fiscal management, careful application to the purposes for which they are directed, and strict attention to budgetary and accounting procedures established for the administration of all public funds.
- (2) For fiscal 2020, except with respect to capital appropriations, to the extent consistent with federal requirements:
 - (a) when expenditures or encumbrances may be charged to either State or federal fund sources, federal funds shall be charged before State funds are charged except that this policy does not apply to the Department of Human Services with respect to federal funds to be carried forward into future years for child welfare or welfare reform activities;
 - (b) when additional federal funds are sought or otherwise become available in the course of the fiscal year, agencies shall consider, in consultation with the Department of Budget and Management (DBM), whether opportunities exist to use these federal revenues to support existing operations rather than to expand programs or establish new ones; and
 - (c) DBM shall take appropriate actions to effectively establish the provisions of this section as policies of the State with respect to the administration of federal funds by executive agencies.

Explanation: This annual language defines the policies under which federal funds shall be used in the State budget.

9. Add the following section:

Section XX Indirect Costs Report

SECTION XX. AND BE IT FURTHER ENACTED, That the Department of Budget and Management (DBM) shall provide an annual report on indirect costs to the General Assembly in January 2020 as an appendix in the Governor's fiscal 2021 budget books. The report must detail by agency for the actual fiscal 2019 budget the amount of statewide indirect cost recovery received, the amount of statewide indirect cost recovery transferred to the General Fund, and

the amount of indirect cost recovery retained for use by each agency. In addition, the report must list the most recently available federally approved statewide and internal agency cost-recovery rates. As part of the normal fiscal/compliance audit performed for each agency, the Office of Legislative Audits shall assess available information on the timeliness, completeness, and deposit history of indirect cost recoveries by State agencies. Further provided that for fiscal 2020, excluding the Maryland Department of Transportation, the amount of revenue received by each agency from any federal source for statewide cost recovery shall be transferred only to the General Fund and may not be retained in any clearing account or by any other means, nor may DBM or any other agency or entity approve exemptions to permit any agency to retain any portion of federal statewide cost recoveries.

Explanation: This is annual language that requires a report on indirect costs and disallows waivers of statewide cost recovery.

Information Request	Author	Due Date
Annual report on indirect costs	DBM	With submission of the Governor's fiscal 2021 budget books

10. Add the following section:

Section XX Reporting on Budget Data and Organizational Charts

SECTION XX. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that all State departments, agencies, bureaus, commissions, boards, and other organizational units included in the State budget, including the Judiciary, shall prepare and submit items for the fiscal 2021 budget detailed by Comptroller subobject classification in accordance with instructions promulgated by the Comptroller of Maryland. The presentation of budget data in the Governor's budget books shall include object, fund, and personnel data in the manner provided for in fiscal 2020 except as indicated elsewhere in this Act; however, this may not preclude the placement of additional information into the budget books. For actual fiscal 2019 spending, the fiscal 2020 working appropriation, and the fiscal 2021 allowance, the budget detail shall be available from the Department of Budget and Management (DBM) automated data system at the subobject level by subobject codes and classifications for all agencies. To the extent possible, except for public higher education institutions, subobject expenditures shall be designated by fund for actual fiscal 2019 spending, the fiscal 2020 working appropriation, and the fiscal 2021 allowance. The agencies shall exercise due diligence in reporting this data and ensuring correspondence between reported position and expenditure data for the actual, current, and budget fiscal years. This data shall be made available on request and in a format subject to the concurrence of the Department of Legislative Services (DLS). Further, the expenditure of appropriations shall be reported and accounted for by the subobject classification in accordance with the instructions promulgated by the Comptroller of Maryland.

Further provided that due diligence shall be taken to accurately report full-time equivalent (FTE) counts of contractual FTEs in the budget books. For the purpose of this count, contractual FTEs are defined as those individuals having an employee-employer relationship with the State. This count shall include those individuals in higher education institutions who meet this definition but are paid with additional assistance funds.

Further provided that DBM shall provide to DLS with the allowance for each department, unit, agency, office, and institution, a one-page organizational chart in Microsoft Word or Adobe PDF format that depicts the allocation of personnel across operational and administrative activities of the entity.

Further provided that for each across-the-board reduction to appropriations or positions in the fiscal 2021 Budget Bill affecting fiscal 2020 or 2021, DBM shall allocate the reduction for each agency in a level of detail not less than the three-digit R*Stars financial agency code and by each fund type.

FURTHER PROVIDED THAT DBM SHALL PROVIDE TO DLS SPECIAL AND FEDERAL FUND ACCOUNTING DETAIL FOR THE FISCAL YEAR LAST COMPLETED, CURRENT YEAR, AND BUDGET YEAR FOR EACH FUND. THE ACCOUNT DETAIL, TO BE SUBMITTED WITH THE ALLOWANCE, SHOULD AT A MINIMUM PROVIDE REVENUE AND EXPENDITURE DETAIL, ALONG WITH STARTING AND ENDING BALANCES.

FURTHER PROVIDED THAT DBM SHALL PROVIDE TO DLS BY SEPTEMBER 1, 2019, A LIST OF ALL SUBPROGRAMS USED BY EACH DEPARTMENT, UNIT, AGENCY, OFFICE, AND INSTITUTION, ALONG WITH A BRIEF DESCRIPTION OF THE SUBPROGRAMS PURPOSE AND RESPONSIBILITIES.

Explanation: This annual language provides for consistent reporting of fiscal 2019, 2020, and 2021 budget data and provides for the submission of department, unit, agency, office, and institutions' organizational charts to DLS with the allowance. It also requires DBM to allocate across-the-board reductions to positions or funding to ensure transparency in budget allocations approved by the General Assembly. **FINALLY, IT REQUIRES DBM TO PROVIDE INFORMATION ON SPECIAL AND FEDERAL FUND ACCOUNTS, AS WELL AS A LIST AND DESCRIPTION OF ALL SUBPROGRAMS USED BY STATE ENTITIES.**

Information Request	Author	Due Date
Agency organizational charts and special and federal fund accounting detail	DBM	With submission of the fiscal 2021 budget
List of subprograms	DBM	By September 1, 2019

11. Add the following section:

Section XX Interagency Agreements

SECTION XX. AND BE IT FURTHER ENACTED, That on or before August 1, 2019, each State agency and each public institution of higher education shall report to the Department of Budget and Management (DBM) any agreements in place for any part of fiscal 2019 between State agencies and any public institution of higher education involving potential expenditures in excess of \$100,000 over the term of the agreement. Further provided that DBM shall provide direction and guidance to all State agencies and public institutions of higher education as to the procedures and specific elements of data to be reported with respect to these interagency agreements, to include at a minimum:

- (1) a common code for each interagency agreement that specifically identifies each agreement and the fiscal year in which the agreement began;
- (2) the starting date for each agreement;
- (3) the ending date for each agreement;
- (4) a total potential expenditure, or not-to-exceed dollar amount, for the services to be rendered over the term of the agreement by any public institution of higher education to any State agency;
- (5) a description of the nature of the goods and services to be provided;
- (6) the total number of personnel, both full- and part-time, associated with the agreement;
- (7) contact information for the agency and the public institution of higher education for the person(s) having direct oversight or knowledge of the agreement;
- (8) total indirect cost recovery or facilities and administrative (F&A) expenditures authorized for the agreement;
- (9) the indirect cost recovery or F&A rate for the agreement and brief description of how the rate was determined;

- (10) actual expenditures for the most recently closed fiscal year;
- (11) actual base expenditures that the indirect cost recovery or F&A rate may be applied against during the most recently closed fiscal year;
- (12) actual expenditures for indirect cost recovery or F&A for the most recently closed fiscal year; and
- (13) total authorized expenditures for any subaward(s) or subcontract(s) being used as part of the agreement and a brief description of the type of award or contract.

Further provided that DBM shall submit a consolidated report to the budget committees and the Department of Legislative Services by December 1, 2019, that contains information on all agreements between State agencies and any public institution of higher education involving potential expenditures in excess of \$100,000 that were in effect at any time during fiscal 2019.

Further provided that no new higher education interagency agreement with State agencies with a projected value in excess of \$500,000 may be entered into during fiscal 2020 without prior approval of the Secretary of Budget and Management.

Information Request	Author	Due Date
Consolidated report on interagency agreements	DBM	December 1, 2019

12. Add the following section:

Section XX Budget Amendments

SECTION XX. AND BE IT FURTHER ENACTED, That any budget amendment to increase the total amount of special, federal, or higher education (current restricted and current unrestricted) fund appropriations, or to make reimbursable fund transfers from the Governor's Office of Crime Control and Prevention or the Maryland Emergency Management Agency made in Section 1 of this Act shall be subject to the following restrictions:

- (1) This section may not apply to budget amendments for the sole purpose of:
 - (a) appropriating funds available as a result of the award of federal disaster assistance; and
 - (b) transferring funds from the State Reserve Fund – Economic Development Opportunities Account for projects approved by the Legislative Policy Committee (LPC).

- (2) Budget amendments increasing total appropriations in any fund account by \$100,000 or more may not be approved by the Governor until:
 - (a) that amendment has been submitted to the Department of Legislative Services (DLS); and
 - (b) the budget committees or LPC has considered the amendment or 45 days have elapsed from the date of submission of the amendment. Each amendment submitted to DLS shall include a statement of the amount, sources of funds and purposes of the amendment, and a summary of the impact on regular position or contractual full-time equivalent payroll requirements.
- (3) Unless permitted by the budget bill or the accompanying supporting documentation or by any other authorizing legislation, and notwithstanding the provisions of Section 3-216 of the Transportation Article, a budget amendment may not:
 - (a) restore funds for items or purposes specifically denied by the General Assembly;
 - (b) fund a capital project not authorized by the General Assembly provided, however, that subject to provisions of the Transportation Article, projects of the Maryland Department of Transportation (MDOT) shall be restricted as provided in Section 1 of this Act;
 - (c) increase the scope of a capital project by an amount 7.5% or more over the approved estimate or 5.0% or more over the net square footage of the approved project until the amendment has been submitted to DLS and the budget committees have considered and offered comment to the Governor or 45 days have elapsed from the date of submission of the amendment. This provision does not apply to MDOT; and
 - (d) provide for the additional appropriation of special, federal, or higher education funds of more than \$100,000 for the reclassification of a position or positions.
- (4) A budget may not be amended to increase a federal fund appropriation by \$100,000 or more unless documentation evidencing the increase in funds is provided with the amendment and fund availability is certified by the Secretary of Budget and Management.
- (5) No expenditure or contractual obligation of funds authorized by a proposed budget amendment may be made prior to approval of that amendment by the Governor.
- (6) Notwithstanding the provisions of this section, any federal, special, or higher education fund appropriation may be increased by budget amendment upon a declaration by the Board of Public Works that the amendment is essential to maintaining public safety.

health, or welfare, including protecting the environment or the economic welfare of the State.

- (7) Budget amendments for new major information technology projects, as defined by Sections 3A-301 and 3A-302 of the State Finance and Procurement Article, must include an Information Technology Project Request, as defined in Section 3A-308 of the State Finance and Procurement Article.
- (8) Further provided that the fiscal 2020 appropriation detail as shown in the Governor's budget books submitted to the General Assembly in January 2020 and the supporting electronic detail may not include appropriations for budget amendments that have not been signed by the Governor, exclusive of the MDOT pay-as-you-go capital program.
- (9) Further provided that it is the policy of the State to recognize and appropriate additional special, higher education, and federal revenues in the budget bill as approved by the General Assembly. Further provided that for the fiscal 2021 allowance, the Department of Budget and Management shall continue policies and procedures to minimize reliance on budget amendments for appropriations that could be included in a deficiency appropriation.

Explanation: This annual language defines the process under which budget amendments may be used.

13. Add the following section:

Section XX Maintenance of Accounting Systems

SECTION XX. AND BE IT FURTHER ENACTED, That:

- (1) The Secretary of Health shall maintain the accounting systems necessary to determine the extent to which funds appropriated for fiscal 2019 in program M00Q01.03 Medical Care Provider Reimbursements and M00Q01.10 Medicaid Behavioral Health Provider Reimbursements have been disbursed for services provided in that fiscal year and shall prepare and submit the monthly reports required under this section for that program.
- (2) The State Superintendent of Schools shall maintain the accounting systems necessary to determine the extent to which funds appropriated for fiscal 2019 to program R00A02.07 Students With Disabilities for nonpublic placements have been disbursed for services provided in that fiscal year and to prepare monthly reports as required under this section for that program.
- (3) The Secretary of Human Services shall maintain the accounting systems necessary to determine the extent to which funds appropriated for fiscal 2019 in program N00G00.01 Foster Care Maintenance Payments have been disbursed for services provided in that

fiscal year, including detail by placement type for the average monthly caseload, average monthly cost per case, and the total expended for each foster care program, and to prepare the monthly reports required under this section for that program.

- (4) For the programs specified, reports must indicate by fund type total appropriations for fiscal 2019 and total disbursements for services provided during that fiscal year up through the last day of the second month preceding the date on which the report is to be submitted and a comparison to data applicable to those periods in the preceding fiscal year.
- (5) Reports shall be submitted to the budget committees, the Department of Legislative Services, the Department of Budget and Management, and the Comptroller beginning August 15, 2019, and submitted on a monthly basis thereafter.
- (6) It is the intent of the General Assembly that general funds appropriated for fiscal 2019 to the programs specified that have not been disbursed within a reasonable period, not to exceed 12 months from the end of the fiscal year, shall revert.

Explanation: This annual language requires the maintenance of accounting systems for certain programs, states the intent of the General Assembly that general funds not disbursed be reverted, and requires reporting of disbursements by the Maryland Department of Health (MDH), the Maryland State Department of Education (MSDE), and the Department of Human Services (DHS).

Information Request	Authors	Due Date	
Report on appropriations and disbursements in M00Q01.03, M00Q01.10, R00A02.07, and N00G00.01	MDH MSDE DHS	August 15, 2019, and monthly thereafter	
Total General Fund Reductions		\$ 194,375	1.0

Appendix 1
Current and Prior Year Budgets
Department of Budget and Management – Secretary
(\$ in Thousands)

	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Fund</u>	<u>Reimb. Fund</u>	<u>Total</u>
Fiscal 2018					
Legislative Appropriation	\$9,742	\$15,983	\$0	\$237	\$25,963
Deficiency/Withdrawn Appropriation	-83	-154	0	0	-237
Cost Containment	-193	-600	0	0	-793
Budget Amendments	24	0	0	0	24
Reversions and Cancellations	-477	0	0	-2	-479
Actual Expenditures	\$9,014	\$15,229	\$0	\$235	\$24,479
Fiscal 2019					
Legislative Appropriation	\$9,666	\$15,844	\$0	\$236	\$25,745
Budget Amendments	290	73	0	0	363
Working Appropriation	\$9,956	\$15,917	\$0	\$236	\$26,108

Note: The fiscal 2019 appropriation does not include deficiencies, a one-time \$500 bonus, or general salary increases. Numbers may not sum to total due to rounding.

Fiscal 2018

At the close of fiscal 2018, the Department of Budget and Management expenditures totaled nearly \$24.5 million, an overall decrease of close to \$1.5 million when compared to the legislative appropriation.

General fund spending totaled \$9.0 million in fiscal 2018. Budget amendments to realign expenses among the units within the department provided a \$24,000 increase. This was offset by the withdrawal of \$83,000 due to a surplus in the health insurance fund, the loss of \$192,500 in salary savings due to cost containment, and the reversion of \$477,000 in additional unspent personnel and general operating expenses.

Special fund expenditures for the Central Collection Unit totaled \$15.2 million at the close of fiscal 2018, reflecting a \$754,000 decrease from the legislative appropriation. Approximately \$154,000 in health insurance funding was withdrawn due to a surplus in the fund account, and an additional \$600,000 in special fund revenues was transferred to the General Fund for cost containment purposes.

Fiscal 2019

The fiscal 2019 working appropriation reflects an increase of approximately \$290,000 in general funds and \$73,000 in special funds for the allocation of the statewide employee cost-of-living adjustment.

Appendix 2
Major Information Technology Projects
Department of Budget and Management – Secretary
Central Collection Unit Systems Modernization – Phase II

Project Status	Planning.			New/Ongoing Project:		New phase for an ongoing project.		
Project Description:	Phase II of the modernization project will improve customer service and operational efficiencies for the new capabilities of the collections system. New capabilities include an upgrade to FICO Debt Manager 10.2 and implementation of a debtor web portal that will provide online access to demographic and account information along with payment plan options.							
Project Business Goals:	Phase II enhancements will further improve customer satisfaction and increase debt collector capabilities by focusing on debtor and creditor portals, near real-time cashiering, and accounting and legal enhancements.							
Estimated Total Project Cost:	\$11,915,668			Estimated Planning Project Cost:			\$1,621,214	
Project Start Date:	January 2019.			Projected Completion Date:			December 2020.	
Fiscal Year Funding (\$ in Thousands)	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Balance to Complete	Total
Personnel Services	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Professional and Outside Services	5,404.4	6,511.3	0.0	0.0	0.0	0.0	0.0	11,915.7
Other Expenditures	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Funding	\$5,404.4	\$6,511.3	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$11,915.7

Statewide Grant Management System

Project Status	Planning.			New/Ongoing Project:		New.		
Project Description:	This project will address the lack of a centralized system for grant tracking and reporting by creating a system that will integrate existing statewide accounting and personnel systems to allow for up-to-date reporting on the use of grant funds, centralize grant-related information through an automated process that will then allow for standard and customized reporting, provide notification about report and application due dates, and improve compliance with federal reporting requirements.							
Project Business Goals:	The goal will be to provide State entities with the ability to consistently track grant availability and grant/grantee management. It will offer one central location to find or manage grants and eliminate the need for manual data collection and reporting.							
Estimated Total Project Cost:	\$2,000,000			Estimated Planning Project Cost:		n/a.		
Project Start Date:	January 2020.			Projected Completion Date:		June 2021.		
Identifiable Risks:	Use of commercial off-the-shelf software keeps risk low; however, there is little consensus about the grantor requirements for the system. The funding assumed in the budget adequately covers the identified objectives, but to the extent that objectives change, additional funds may be required. Successful project execution is reliant on integration between several different systems, including the Financial Management Information System, Workday, and similar systems in State agencies.							
Fiscal Year Funding (\$ in Thousands)	Prior Years	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Balance to Complete	Total
Personnel Services	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Professional and Outside Services	0.0	2,000.0	0.0	0.0	0.0	0.0	0.0	2,000.0
Other Expenditures	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Funding	\$0.0	\$2,000.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$2,000.0

Appendix 3
Object/Fund Difference Report
Department of Budget and Management – Secretary

<u>Object/Fund</u>	<u>FY 18 Actual</u>	<u>FY 19 Working Appropriation</u>	<u>FY 20 Allowance</u>	<u>FY 19 - FY 20 Amount Change</u>	<u>Percent Change</u>
Positions					
01 Regular	194.80	195.80	184.80	-11.00	-5.6%
02 Contractual	26.58	32.00	31.00	-1.00	-3.1%
Total Positions	221.38	227.80	215.80	-12.00	-5.3%
Objects					
01 Salaries and Wages	\$ 17,241,308	\$ 18,793,743	\$ 18,299,272	-\$ 494,471	-2.6%
02 Technical and Special Fees	1,049,926	1,162,688	1,162,690	2	0%
03 Communication	1,330,263	1,151,099	999,200	-151,899	-13.2%
04 Travel	31,801	48,700	60,700	12,000	24.6%
06 Fuel and Utilities	502	0	0	0	0.0%
07 Motor Vehicles	8,183	11,700	11,855	155	1.3%
08 Contractual Services	3,985,926	4,072,830	7,038,674	2,965,844	72.8%
09 Supplies and Materials	116,689	130,000	130,000	0	0%
10 Equipment – Replacement	160,416	123,000	163,000	40,000	32.5%
13 Fixed Charges	553,611	614,875	641,854	26,979	4.4%
Total Objects	\$ 24,478,625	\$ 26,108,635	\$ 28,507,245	\$ 2,398,610	9.2%
Funds					
01 General Fund	\$ 9,013,810	\$ 9,956,309	\$ 11,126,628	\$ 1,170,319	11.8%
03 Special Fund	15,229,409	15,916,726	17,118,087	1,201,361	7.5%
09 Reimbursable Fund	235,406	235,600	262,530	26,930	11.4%
Total Funds	\$ 24,478,625	\$ 26,108,635	\$ 28,507,245	\$ 2,398,610	9.2%

Note: The fiscal 2019 appropriation does not include deficiencies, a one-time \$500 bonus, or general salary increases. The fiscal 2020 allowance does not include general salary increases.

Appendix 4
Fiscal Summary
Department of Budget and Management – Secretary

<u>Program/Unit</u>	<u>FY 18 Actual</u>	<u>FY 19 Wrk Approp</u>	<u>FY 20 Allowance</u>	<u>Change</u>	<u>FY 19 - FY 20 % Change</u>
01 Office of the Secretary	\$ 20,491,623	\$ 21,840,301	\$ 21,866,213	\$ 25,912	0.1%
05 Office of Budget Analysis	2,822,660	3,003,355	5,338,734	2,335,379	77.8%
06 Office of Capital Budgeting	1,164,342	1,264,979	1,302,298	37,319	3.0%
Total Expenditures	\$ 24,478,625	\$ 26,108,635	\$ 28,507,245	\$ 2,398,610	9.2%
General Fund	\$ 9,013,810	\$ 9,956,309	\$ 11,126,628	\$ 1,170,319	11.8%
Special Fund	15,229,409	15,916,726	17,118,087	1,201,361	7.5%
Total Appropriations	\$ 24,243,219	\$ 25,873,035	\$ 28,244,715	\$ 2,371,680	9.2%
Reimbursable Fund	\$ 235,406	\$ 235,600	\$ 262,530	\$ 26,930	11.4%
Total Funds	\$ 24,478,625	\$ 26,108,635	\$ 28,507,245	\$ 2,398,610	9.2%

Note: The fiscal 2019 appropriation does not include deficiencies, a one-time \$500 bonus, or general salary increases. The fiscal 2020 allowance does not include general salary increases.